

Waiver of Premium

Policy Summary

This summary gives you an overview of our Waiver of Premium product. For full details, including all the terms and conditions, please read the LV= Waiver of Premium Policy Conditions. In this summary we assume that you are the person insured and the policy owner.

Waiver of Premium is provided by Liverpool Victoria Friendly Society Limited, which is part of LV=.

Who are LV=?

LV= are an insurance undertaking, which means we're the company that provides your insurance cover, and are responsible for paying any valid claim made on your policy. It's up to you to decide whether this policy is right for you; we don't make any personal recommendations to take out this cover. If you have any doubts if this cover is right for you please speak to a financial adviser. LV= is a registered trademark of Liverpool Victoria Friendly Society Limited.

What am I covered for?

Waiver of Premium is designed to pay the premiums on your behalf for all of the policies in your Flexible Protection Plan, if you are unable to work due to sickness or accident.

There are two ways we can measure whether you're unable to work.

- **Own occupation cover** means we will pay the premiums for all the policies in your Flexible Protection Plan, if because of an accident or sickness, you're unable to do the main tasks of your occupation and aren't doing any other paid or unpaid work. By main tasks we mean the things which can't reasonably be left out of your role, by you or your employer. We'll also use this measure, if you claim within the first 12 months from
 - becoming unemployed
 - becoming a homemaker, or
 - taking a career break
 - retiring before age 70

If you have been out of work for longer than 12 months when you claim we'll use the measures under homemaker cover below to determine whether we can pay your claim. More details can be found in the Policy Conditions in section A1.

- **Homemaker cover** means we will waive the premiums for all the policies in your Flexible Protection Plan, if because of accident or sickness you are unable to prepare a meal or do basic housework, and you aren't doing any other paid or unpaid work. More details can be found in the Policy Conditions in section A2.

If you are unable to work after you have reached age 70, we will use the work tasks measures to determine whether we will pay the premiums for all of the policies included in your Flexible Protection Plan.

This is irrespective of what cover you had in place before age 70. The work tasks measures mean we'll look at whether you are totally unable to carry out 3 or more tasks from a list of everyday activities. For more details of the Works Tasks measures please see the 'What's covered' section in the Waiver of Premium Policy Conditions.

However, if you are a doctor or surgeon and you have taken out this policy with our Flexible Protection Plan, and it includes any Income Protection or Budget Income Protection policies, we may still treat you as though you are still working, if you're on a sabbatical break. For more information on our doctors and surgeons sabbatical break cover, please see the appendix at the back of your Income Protection, or Budget Income Protection Policy Conditions.



Is there anything I'm not covered for?

Yes.

- **Unemployment** - We will only pay the premium on your behalf for all of the policies in your Flexible Protection Plan if you are unable to work, because of sickness or accident. This means we won't pay them if you are not working for a different reason, for example if you have chosen not to work, or you have been made redundant. If your Flexible Protection Plan also includes an LV= Income Protection or Budget Income Protection Policy you may be able to claim for up to six months of your premiums to be paid if you become involuntarily unemployed. This depends on which version of our Income Protection or Budget Income Protection policy you have, so it's really important you check your Income Protection or Budget Income Protection Policy Conditions to see if this is included or not.
- **Sickness or accident and still working** - You cannot generally claim under this policy if you are ill or injured and are still able to work in your normal occupation whether this is as a homemaker or if you are doing other paid or unpaid work.

Do please check with us if you have more than one job. You may not be covered if you are able to do one job but not the other.

- **Death** - This policy does not pay out in the event of your death.
- **Travelling abroad** - We pay the premiums on your behalf for all of the policies in your Flexible Protection Plan after your waiting period, if you are in one of a number of countries listed in the Policy Conditions. If you are anywhere else in the world, we would only pay them for a maximum of 26 weeks. This is explained in more detail in section A of the Policy Conditions.
- **You don't follow your doctor's advice or refuse treatment** If we have started to pay the premiums on your behalf for all the policies in your Flexible Protection Plan, and you choose not to follow the advice of your doctor, or refuse to follow any reasonable treatment request, we will stop making those payments to you. We will only do this if the reason you aren't following medical advice or refusing treatment is unreasonable. We explain when we can stop paying a claim in section B3 of the policy conditions.

How much cover is provided?

The cover will be the total premium you pay for all of the policies included in your Flexible Protection Plan.

The cover will automatically go up if you have any policies with inflation-linked cover included in your plan. However your cover might not be increased if you change or take out any new policies in your plan, for example if you are in poor health at that time.

How long do I have to wait after making a claim before my payments start?

The waiting period is the amount of time you have to wait after you stop being able to work before we start to pay the premiums on your behalf. This period will depend on which policies are included in your Flexible Protection Plan.

If you have a Flexible Protection Plan that only includes Life cover or Life with Critical Illness cover, then the waiting period will always be 6 months.

If you have a Flexible Protection plan that includes any or all of Income Protection, Budget Income Protection, or Personal Sick Pay, then the waiting period for your Waiver of Premium policy will automatically match the shortest waiting period for any of these policies included in your Flexible Protection Plan. This is subject to a minimum waiting period of 1 month, and a maximum waiting period of 6 months for your Waiver of Premium policy. We have explained how we work out the waiting period in the table below.

Personal Sick Pay waiting period	Income Protection/ Budget Income Protection waiting period	Assumed Waiver of Premium waiting period
Day 0	n/a	1 month
1 week	n/a	1 month
4 weeks	1 month	1 month
8 weeks	2 months	2 months
13 weeks	3 months	3 months
26 weeks	6 months	6 months
52 weeks	12 months	6 months

For example, if your Flexible Protection Plan includes Personal Sick Pay with a waiting period of 8 weeks, and Income Protection with a waiting period of 12 months, then your Waiver of Premium waiting period will be set to 2 months.

The actual waiting period that applies will be shown in your Waiver of Premium policy schedule.

You will still need to pay the premiums for your Flexible Protection Plan, during this waiting period. If you don't then the cover provided by all of the policies in your plan will stop.

If you are a dentist, doctor, surgeon, or a teacher and have taken out this policy along with an Income Protection, or Budget Income Protection policy within our Flexible Protection Plan, we may be able to waive the premiums before the end of your waiting period. More information can be found in the appendix for special conditions for your particular occupation at the back of your Income Protection or Budget Income Protection Policy Conditions.

Can I apply?

You can apply if you are:

- permanently living in the UK, and
- aged between 17 and 59.

If you're insuring someone else, they must meet these requirements. If you're insuring two people, they must both meet them.

You can only insure someone else if you'll suffer financially if they are unable to work as a result of sickness or an accident. We call this 'insurable interest'. If you're insuring your spouse or civil partner you automatically have an insurable interest.

How much does it cost?

This depends on the amount of the premiums you are covering for the policies included in your Flexible Protection Plan, and also your personal circumstances, for example your age and whether you smoke or not.

We will tell you how much you need to pay for your Waiver of Premium policy your policy starts. This may be different to that shown on your personal quote.

How long do I pay premiums for?

You pay a premium every month by Direct Debit until the month immediately before the end date of your policy. You can choose to stop paying premiums at any time, but if you do then your policy will stop, you won't be covered and you won't get anything back.

This Policy has no cash in value at any time.

When does my policy start and end?

It starts on the date we ask for your first premium. It will end on the end date shown on your policy schedule.

Your policy must last for at least 5 years.

This policy will end once all of the policies included in your Flexible Protection Plan have ended or if earlier once you reach 85 years of age.

What if I can't pay my premiums?

We give you 60 days from the due date for you to pay a premium.

Normally, if you stop paying your premiums, the cover provided by this policy will stop and you won't get anything back.

If you're claiming on this policy, and we've started to pay the premiums for all the policies included in your Flexible Protection Plan, then we will also pay the premium for this policy. Similarly, if your Flexible Protection Plan includes an Income Protection or Budget Income Protection policy and we've started to pay the premiums for all the policies included in your Flexible Protection Plan because you've become involuntarily unemployed, then we will pay the premium for this policy as well.

Can LV= change the premium I pay?

Yes. If the total premium for all of the policies included in your Flexible Protection Plan changes, either because of inflation-linking, or because you have premiums that are reviewable, then the premium for this policy will also change.

The premium for this policy will also need to change, if you choose to change any of the policies included in your Flexible Protection Plan for any reason.

This is because the cover provided by this policy is the total premium you pay for all of the policies included in your Flexible Protection Plan. So if your total premium changes, then the cover provided by this policy will also need to change.

We will write to you and let you know what the changes are at least 60 days before you need to start paying the changed premium.

More details about this can be found in section C1 of the Policy Conditions.

What about claiming?

If you need to claim you should let us know straight away. If you don't this may result in a delay in us starting to pay the premiums for the policies included in your Flexible Protection Plan. We explain when you need to tell us and what happens if you don't in section B1 of the Policy Conditions.

You can make a claim by telephoning 0800 756 5869 (for textphone, dial 18001 first). We may record and/or monitor your calls for training and audit purposes. Or you can write to us at: Claims Department, LV=, Emperor House, Grenadier Road, Exeter Business Park, Exeter EX1 3LH, or email us at: healthclaims@LV.com.

What happens if I have made a claim, recovered, gone back to work, and then I become ill again?

If this happens within the first 6 months of you going back to work then we may be able to start paying the premiums on your behalf again straight away, without you having to wait until the end of your waiting period. We call this a 'linked claim'.

However we will only do this if the reason you are unable to work is the same as it was for your original claim, and you are still working in the same job as you were originally. If the reason you are unable to work is not the same, or you are working in a different job when you need to claim again, then we will not treat this as a 'linked claim', and you will need to wait until the end of your waiting period before we start paying the premiums on your behalf again.

More details and the limits that apply can be found in section B5 of the Policy Conditions.

How is the payment from this policy taxed?

Claims paid from this policy will not be subject to either income tax or capital gains tax.

This is based on our understanding of current legislation and HM Revenue & Customs practice, which can change.

Could LV= cancel my policy?

Whilst the vast majority of our customers are honest, we do have to protect ourselves (and our customers) against the effect of financial crime.

We will cancel your policy if either you or anyone you are insuring act fraudulently, or deliberately provide untrue, inaccurate or misleading information when you apply for the policy, or when making a claim.

This means we can cancel your policy, or not pay the amount of your cover in full, if we determine that you would have known, or ought to have reasonably known, the true answer to a question we ask you, but have deliberately provided a false answer. So, when you apply, please take care to answer all of the questions as accurately as you can.

If you apply for your policy on-line, we will send you a summary of the questions we ask and the answers you give. We will also do this, if, when you apply, we telephone you to ask you some further questions about your application. When you receive this summary it's very important that you check the answers you gave, as we rely on this information to set up your policy.

We've explained when we can cancel your policy in more detail in section C8 of the Policy Conditions.

Can I change my mind?

Yes, you can cancel your policy at any time. If you change your mind within 30 days of it starting, we'll refund your premiums. If you cancel at any other time, your cover will end and you won't get anything back. Your policy has no cash-in value at any time.

To cancel your policy please call us on 0800 678 1906 (for textphone dial 18001 first). We may record and/or monitor your call for training and audit purposes. Or you can write to us at LV=, Emperor House, Grenadier Road, Exeter Business Park, Exeter EX1 3LH.

How do I complain?

If you have a complaint about any part of the service you receive from us, it's important that we know about it, so we can help put things right. You can let us know by calling us on 0800 678 1906 (for textphone, dial 18001 first). Or, you can write to us at: Box 2, LV=, County Gates, Bournemouth BH1 2NF. Your complaint will be dealt with promptly and fairly and in line with the Financial Conduct Authority's requirements, and if you want more information on how we handle complaints, please contact us or visit www.LV.com/complaints.

We hope that we will be able to resolve any complaint that you have. If you're unhappy with the resolution of your complaint, the Financial Ombudsman Service may be able to help you free of charge but you'll need to contact them within six months of receiving our final response letter. Their website is financial-ombudsman.org.uk which includes more information about the service, including details of the various ways they can be contacted. If you make a complaint it won't affect your right to take legal action.

What would happen if LV= got into financial trouble and was not able to pay out?

We've been in business since 1843, and take great care to manage our affairs sensibly.

We're required to publish a report each year about our solvency called a Solvency and Financial Condition Report. Solvency is a company's ability to meet its long term financial commitments and this report will help you understand more about our solvency and how we manage our capital and risks. The report will be available from the end of June 2017 onwards. If you'd like a copy you can visit www.LV.com/sfcr, or you can write to: Group Company Secretary, County Gates, Bournemouth BH1 2NF.

If we ever did get into financial trouble and couldn't honour our commitments, you would be entitled to compensation from the Financial Services Compensation Scheme. The compensation you could get depends on the type of product you have. For this type of policy, the scheme covers 100% of the claim.

The scheme's first responsibility is to seek continuity rather than to pay compensation.

For more information go to www.fscs.org.uk or call 0800 678 1100 or 0207 741 4100.

What law applies to my policy?

Waiver of Premium and its terms and conditions are governed by the laws of England and Wales. In the unlikely event of any legal disagreement, it would be settled exclusively by the courts of England and Wales.

We'll always communicate in English.

You can get this and other documents from us in Braille or large print by contacting us.



Liverpool Victoria Friendly Society Limited: County Gates, Bournemouth BH1 2NF.

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